

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1007 - HB 840

February 11, 2013

**SUMMARY OF BILL:** Authorizes the Beech River Watershed Development Authority (BRWDA) to provide for the development of residential and commercial property existing within the Beech River system.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – To the extent additional economic development occurs as a result of this bill, and to the extent local governments reappraise the newly developed property, local governments will experience an increase in property tax revenue. The extent of any such increase is unknown due to several unknown variables. Otherwise, the fiscal impact of this bill is not significant.**

Assumptions:

- According to the Tennessee Department of Environment and Conservation, this bill will not result in any fiscal impact to the Department.
- Pursuant to Tenn. Code Ann. § 64-1-105, the governing bodies of Decatur and Henderson counties and any municipality located within is authorized to levy and collect ad valorem taxes for the purpose of contributing to the BRWDA in any amount recommended by the board of the authority and the local governing bodies.
- According to the BRWDA, the Authority receives no funds from any federal, state, or local entities.
- Any fiscal impact as a result of establishing authorization, for the BRWDA to provide for the development of residential and commercial property, is estimated to be not significant.
- Any investment by the BRWDA into residential and commercial properties within the Beech River system will result in future economic development that will subsequently increase appraised property values, which will result in future increases in property tax revenue collected by local governments.
- Due to several unknown factors, including but not limited to, how many properties the BRWDA will provide assistance, the extent of investment made by the BRWDA and the resulting level of economic development that occurs, and the extent to which local governments increase property appraisals and property tax assessment, and the timing

for which such occurs, the precise amount of increased local government revenue cannot be determined.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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